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March 30, 2020

MEMO NO.
QI-2012

MEMORANDUM

TO: QUEST Integration Health Plans
Hospitals
Long Term Care Providers

FROM: Judy Mohr Peterson, PhD 
Med-QUEST Division Administrator

SUBJECT: SUBACUTE DEFINITIONS

Effective date of this memorandum: 03/30/2020

The Med-QUEST Division has been working with affected providers to clarify and update the definitions of subacute facilities and patients who would be classified as meeting a subacute level of care. We believe these actions may help address hospital waitlist issues and ensure that patients receive care in the most appropriate setting.

Hawaii Administrative Rules (H.A.R.) Chapter 17-1737, Subchapter 10, describes the considerations and characteristics for a subacute patient. MQD recognizes that the types of patients being treated in nursing facilities today have changed materially since the rules were finalized in 2005. We are in the process of amending the Hawaii Administrative Rules to formalize what MQD acknowledges may have been authorized in practice on an exceptions basis. However, revising the Hawaii Administrative Rules will take several months to complete. Therefore, we are issuing this memorandum to be followed until the amendments are finalized.

The following changes shall be implemented:

- The facility must be licensed and Medicare certified as an acute hospital or an SNF facility. However, as there is no separate licensing or certification for subacute facilities, this requirement has been deleted.

- To be consistent with the current standards for subacute, MQD will decrease the minimum hours from 5 hours to 4 hours of skilled nursing hours per day for a subacute patient. Refer to H.A.R. 17-1739.2-4 for skilled nursing criteria for these patients.
- It may be impractical to operate a separate subacute unit of 6 to 60 beds. Therefore, this requirement has been deleted.
- The requirement that “registered nurses and licensed practical nurses have a minimum of six months experience (within the past two years) in a direct participatory general acute care facility where the caseload included patients requiring intensive care and the use of special equipment” is not practical. Instead, facilities shall be responsible for ensuring that they are adequately staffed with trained personnel, to include registered nurses and licensed practical nurses as appropriate, to care for the type of patients served.
- If a patient is dually eligible for Medicare and Medicaid with a Medicare qualified SNF stay, subacute level of care will begin when the patient no longer qualifies for a Medicare SNF stay.

The following types of patients have not historically been specifically classified as subacute, but will now qualify for subacute level-of-care:

- Trach bed-bound hemodialysis patients;
- Trach patients requiring suction as least once per shift and who are morbidly obese;
- Trach patients requiring suctioning at least once per shift and requiring wound care for multiple stage 2 or higher wounds;
- Telemetry patients who meet criteria for continuous cardiac monitoring;
- Patients with complex drains or tubes, including Ommaya drains, fecal re-implantation, Aspira chest tube, drains requiring monitoring and draining (i.e. JP drains); and
- Other patients will be approved on a case by case basis provided that they need at least 4 hours of skilled nursing care daily, such as:
 - Enteral feedings with J-tube, G-tube or NG tube for nutritional needs, hydration and/or medication administration
 - Medically necessary isolation
 - Patients with external fixators, traction

Providers are reimbursed for subacute patients based on the cost of care for these patients. Providers that do not have a Medicaid subacute reimbursement rate should submit their cost estimates to Myers & Stauffer for review. Myers & Stauffer will review these on a timely basis and forward their recommendations to MQD for approval. Once approved, MQD will communicate these rates to the QI health plans. However, due to the current public health emergency, those providers wishing to accept sub-acute level patients immediately may be assigned an interim rate by Myers & Stauffer. This sub-acute rate shall be developed based on available data for current facilities that currently have a sub-acute reimbursement rate. This will be in effect until June 30, 2020, or when the finalized rate is developed, whichever comes first.

Should you have any questions, please contact Jon Fujii, Health Care Services Branch Administrator, at 808-692-8083 or email at jfujii@dhs.hawaii.gov.